

Wisconsin IPAS RFP DICTIONARY

Acronyms	
AEP	Adaptive Estimation Procedures
API	Application Programming Interface
ASCII	American Standard Code for Information Interchange
BAP	Bureau of Assessment Practices
BOA	Board of Assessors
BPM	Business Process Model
BPT	Bureau of Property Tax
CAMA	Computer-assisted Mass Appraisal
CICS	Customer Information Control System
COC	Coefficient of Concentration
COD	Coefficient of Dispersion
COTS	Commercial Off the Shelf
DB	Database
DB/2	Database 2
DBMS	Data Base Management System
DL1	Data Language 1.
DLN	Document Locator Number
DNR	(Wisconsin) Department of Natural Resources
DOA	(Wisconsin) Department of Administration
DOR	(Wisconsin) Department of Revenue
DOT	(Wisconsin) Department of Transportation
EGI	Effective Gross Income
e-RETR	Electronically filed Real Estate Transfer Return
ESRI	Environmental Systems Research Institute
FEMA	Federal Emergency Management Agency
FSAS	Fielded Sales Analysis System (used by Equalization Section)
GIS	Geographic Information System
GUI	Graphical User Interface
IAAO	International Association of Assessing Officers
IMS	Information Management System
IMS DB/DC	Information Management System Data Base/Data Communications
IPAS	Integrated Property Assessment System
IT	Information Technology
JMS	Java Message Service
LDAP	Lightweight Directory Access Protocol
LGS	Local Government Services Section
MBE	Minority Business Enterprise
MCost	MicroCost (computer valuation program based on WPAM Vol. II)
M-Form	Manufacturing Self-Reporting Form
MI	Miscellaneous Income

MISMO	Mortgage Industry Standards Maintenance Organization
MRA	Multiple Regression Analysis
MSW	Manufacturing Sales Worksheet
MVS	Multiple Virtual Storages
NCSS	Number Cruncher Statistical System
PGI	Potential Gross Income
PILOT	Payment in Lieu of Taxes
PRC	Property Record Card
PRD	Price Related Differential
PRIA	Property Records Industry Association
RCN	Replacement Cost New
RCNLD	Replacement Cost New Less Depreciation
RDBMS	Relational Database Management System
RETR	Real Estate Transfer Return
SAM	Statewide Assessment of Manufacturing
SAR	Sales Analysis and Reconciliation (used by Manufacturing Section)
SAS (DOR system)	Sales Analysis System (used by Equalization Section)
SAS (statistics)	Statistical Analysis Software
SLF	(Division of) State and Local Finance
SMP	Symmetric Multi-Processing
SMTP	Simple Mail Transfer Protocol
SOA	Statement of Assessment
SPSS	Statistical Package for the Social Sciences
SQL/DS	Structured Query Language/Data System
SSL	Secure Socket Layer
TAC	Tax Appeals Commission
Telco	(State of Wisconsin) Telecommunication (Assessment)
TID	Tax Incremental District
TIF	Tax Incremental Finance
TVC	Town, Village, City
TVCC	Town, Village, City, County
USPAP	Uniform Standards of Professional Appraisal Practice
UW	University of Wisconsin
VSE/ESA	Virtual Storage Extended / Enterprise System Architecture
WAAO	Wisconsin Association of Assessing Officers
WAMS	Web Access Management System
WPAM	Wisconsin Property Assessment Manual (Volume I and Volume II)
WSDL	Web Services Description Language
XML	Extensible Markup Language

PROPERTY TAX, STATISTICAL and APPRAISAL TERMS

Adaptive Estimation Procedure (AEP)	A computerized, iterative, self-referential procedure using properties for which sales prices are known to produce a model that can be used to value properties for which sales prices are not known. Also called "feedback."
Abandonment	1) Cessation of the use of right of way or activity thereon with no intention to reclaim or use again. 2) The act of vacating real property and/or the leaving of fixtures or other attachments.
Abstract	To reduce a legal description of a property to another form; also, to identify a property from its legal description.
Access	1) The means or way by which a property is approached. 2) The means or method of entrance into or upon a property.
Access Rights	1) The right of ingress to and egress from a property which abuts upon an exiting street or highway. It is an easement in the street that is appurtenant to abutting property and is a private right as distinguishable from the rights of the public. It is well-established law in the United States that the right of access cannot be denied or unreasonably restricted unless other reasonable access is available or provided or compensation is awarded. 2) The right of a riparian owner to pass to and from the waters upon which the premises border.
Accrued depreciation	See Depreciation
Acre	A land measure of 160 square rods or 43,560 square feet.
Actual Age	The number of years elapsed since an original structure was built. Sometimes referred to as historical or chronological age.
Ad valorem tax	In reference to property, a tax based upon the value of the property.
Additive Model	A model in which the dependent variable is estimated by multiplying each independent variable by its coefficient and adding each product to the constant.
Aerial photo	Airplane photography of entire U.S. land mass taken by Federal Government every few years. Available from County Agricultural Stabilization and Conservation Service Office.
Aesthetic value	A value, intangible in nature, which is attributable to the pleasing appearance of a property.
Age/Life Method	A method of estimating accrued depreciation founded upon the premise that, in the aggregate, a mathematical function can be used to infer accrued depreciation from the age of a property and its economic life.
Aggregate ratio	As applied to real estate, the ratio of the total assessed value to the total selling price.
Agricultural property	Land and improvements devoted to or best adaptable for the production of crops, fruits, timber and the raising of livestock.
Air rights	The right to inclusive and undisturbed use and control of a designated air space within the perimeter of a stated land area and within stated elevations. Such rights may be acquired for the construction of a building above the land or building of another, or for the protection of the light and air of an existing or proposed structure on an adjoining lot.
Alley influence	The enhancement to the value of a property rising out of the presence of an abutting alley, most generally applicable to commercial properties.
Allocation	The allocation of the appraised total value of the property between the land and improvements.

Allowance for Vacancy and Income Loss	That amount deducted from Potential Annual Gross Income to reflect the effect of probable vacancy and turnover, or non-payment of rent by tenants; commonly expressed as a percentage of Potential Annual Gross Income and then converted to a dollar figure, the percentage of vacancy and income loss is the complement of the occupancy ratio.
Amenities	In reference to property, the intangible benefits arising out of ownership; amenity value refers to the enhancement of value attributable to such amenities.
Anticipation, principle of	Affirms that value is created by the anticipation of future benefits. (Value may be defined as the present worth of all rights to future benefits.)
Appraisal	An estimate or opinion of value, usually in written form of the described property as of a specified date; may be used synonymously with valuation or appraised value.
Appraisal Emulation Model	The appraisal emulation model (see Section 3.2.2.1 Comparable Sales Method) follows the steps that an appraiser might follow in forming a value estimate (although not with the same insight or flexibility that a qualified appraiser brings to the assignment). The model selects "comparable sales" using some standard criteria. It then rates those comparable sales by suitability, based on the physical and sales characteristics of each comparable sale, by adjusting the varying elements (much as is done on an appraisal form); the model then calculates an estimate of value.
Appraiser	One who estimates value. More specifically, one who possesses the expertise to execute or direct the execution of an appraisal.
Appreciation	Increased value of a property, in terms of money, from all causes. For example, a property of any sort may appreciate as a result of inflation.
Arm's-Length Sale	A sale between two parties neither of whom is related to or under abnormal pressure from the other. See Market Value.
Assemblage	The combining of two or more continuous parcels into one ownership or use.
Assessed value	The dollar amount placed on taxable property, both real (by parcel) and personal (by owner), by the assessor for the purpose of taxation.
Assessing	The act of valuing a property for the purpose of establishing a tax base.
Assessment	See Assessed value
Assessment district	An assessor's jurisdiction; it may or may not be an entire tax district. Any subdivision of territory whether whole or part of a municipality where a separate assessment of taxable property is made. Such districts may be referred to as taxing districts, administrative districts, or special purpose districts. (See s. 70.08, Stats.)
Assessment level	The ratio of the assessed value to the market value of all taxable property within a district (town, village, or city). For example if the assessed value of all the taxable property in Town "A" is \$2,700,000 and the market value of all taxable property in Town "A" is \$3,000,000 then the "assessment level" is said to be 90%.
Assessment ratio	<p>The ratio of the assessed value to the market value of an individual parcel.</p> <p>If a parcel would sell for \$50,000 and is assessed for \$45,500 it is said to have a "ratio" of 90%.</p> $\text{Assessment Ratio} = \frac{\text{Assessed Value}}{\text{Market Value}} = \frac{\$45,000}{\$50,000} = 90\%$
Assessment roll	<p>The official listing of all properties within a given municipality (Town, Village, City) by ownership, description, and location showing the corresponding assessed values for each.</p> <p>The completed assessment roll is an official listing which contains owners and legal descriptions of all real estate parcels and items of personal property within a taxation district, acreages of most parcels, the statutory classification and assessed value, according to land and improvements, of general taxable parcels.</p>

Assessment year	The period of time during which the assessment of all properties within a given assessment district must be completed; the period between tax lien dates.
Assessor	The administrator charged with the assessment of property for ad valorem taxes; the precise duties differ from state to state depending upon state statutes
Assessor's Final Report	A report completed and filed by the assessor with the Supervisor of Equalization, upon the completion of the assessment roll and prior to Board of Review, the report shows amounts and reasons for changes between the prior year's assessed values and the current year's assessed values of a taxation district.
Average deviation	In a distribution of values, the average amount of deviation of all the values from the mean value equal to the total amount of deviation from the mean divided by the number of deviations.
Azimuth	The angle between true north or true south and an object. In surveying, it is measured clockwise from north.
Balance, principle of	Holds that value is created and maintained in proportion to the equilibrium attained in the amount and location of essential uses of real estate. The degree of value of a property is governed by the balance or apportionment of the four factors in production, land, labor, capital and management.
Base price	A value or unit rate established for a certain specified model, and subject to adjustments to account for variations between that particular model and the subject property under appraisal.
Bearing	1) The situation or horizontal direction of one point or object with respect to another, or to the points of the compass. 2) That portion of any member of a building that rests upon its supports.
Binary (Dummy) Variable	(1) Binary variables are qualitative data items that have only two possibilities yes or no (for example, corner location). (2) A variable for which only two values are possible, such as results from a yes-or-no question; for example, does this building have any fireplaces? Used in some models to separate the influence of categorical variables. Also called a dichotomous variable or dummy variable.
Blighted area	A declining area or district characterized by structural deterioration and/or environmental deficiencies.
Board of Review	A quasi-judicial board charged with the responsibility of raising or lowering assessments proven incorrect as well as correcting any errors in the assessment roll. The Board of Review consists of a clerk and selected municipal officers (other than the assessor) or citizens. It hears all objections to the amount or valuation of property if objections are made in writing and filed with its clerk prior to adjournment of public hearings. The municipal clerk [see section 70.52] examines the assessment roll or rolls and corrects all apparent errors in description or computation, adds all omitted property to the assessment roll and determines whether an assessor's valuation is correct from evidence brought before it. The Board cannot determine exempt or taxable status of property.
Book value	The capital amount of property shown on the books of an accountant. Usually, it is the original cost less reserves for depreciation plus additions to capital.
Boolean	Refers to a system of logical thought developed by the English mathematician and computer pioneer, George Boole (1815-64). In Boolean searching, an "and" operator between two words or other values (for example, "pear AND apple") means one is searching for documents containing both of the words or values, not just one of them. An "or" operator between two words or other values (for example, "pear OR apple") means one is searching for documents containing either of the words.
Boring test	A study of load-bearing qualities of subterranean surface by analysis of bore or drilling residue (core samples).

Building Capitalization Rate	A rate which includes return on and return of capital invested in improvements, separate, and apart from capital invested in the underlying land; used in the residual techniques which separate property income into components attributable to land and to improvements.
Building Residual Technique	A technique used to estimate the value of a property from a knowledge of normal net income, the discount rate, the remaining economic life of the property, the value of the land, the income stream attributable to the building, and the income stream attributable to the land. The technique estimates total value by discounting the income stream attributable to the building and adding the result to an independent estimate of the value of the land.
Bundle of Rights Theory	Ownership of a parcel of real estate embraces six rights. These include the right to buy; the right to sell it in whole or part; the right to bequeath; the right to lease; the right to use the real estate and the right to do none of these.
Calibration	The process of estimating the coefficients in a mass appraisal model.
Capitalization	A mathematical procedure for converting the net income which a property is capable of producing into an indication of its current value.
Cash Flow Analysis	A study of the anticipated movement of money into or out of an investment.
CDU rating	A composite rating of the overall Condition, Desirability and Usefulness of a structure as developed by the Cole-Layer-Trumble Company and it is used nationally as a simple, direct and uniform method of estimating accrued depreciation.
Central business district	The center of the city in which the primary commercial, governmental and recreational activities are concentrated.
Certificate of title	A document usually given to a home buyer with the deed, stating that the title to the property is clear. It is usually prepared by an attorney or qualified person who has examined the abstract of title for the property. It is only an opinion that the title is good, not to be confused with title insurance.
Certified Assessment Evaluator	A professional designation (CAE) conferred by the International Association of Assessing Officers (IAAO) upon qualifying individuals.
Certified property tax	An ad valorem property tax where the assessment ratio varies for different property classes. This differs from state to state depending upon state statutes.
Change, principle of	Holds that economic and social forces are constantly at work and because changes brought about by these forces affect real property. The appraiser views real property and its environment as in transition, observing evidence of trends which may affect the property in the future. The law of change is fundamentally the law of cause and effect.
Chattel	In law, any property other than a freehold or fee estate in land. Chattels are treated as personal property, although they are divisible into chattels real and chattels personal.
Cluster Analysis	A statistical technique for grouping cases (for example, properties) based on specified variables such as size, age, and construction quality. The objective of cluster analysis is to generate groupings that are internally homogeneous and highly different from one another. Various cluster algorithms can be employed.
Coefficient	(1) In a mathematical expression, a number or letter preceding and multiplying another quantity. For example, in the expression 5x. 5 is the coefficient of x. and in the expression a 1: a is the coefficient of r: (2) A dimensionless statistic, useful as a measure of change or relationship; for example, correlation coefficient.
Coefficient	A value prefixed as a multiplier to a variable or an unknown quantity.
Coefficient of dispersion	As applied to an assessment-to-sale ratio distribution, a measure of dispersion in a given distribution equal to the average deviation of the ratios from the mean or median ratio divided by the mean or median ratio.

Comparable Sales; Comparables	(1) Recently sold properties that are similar in important respects to a property being appraised. The sale price and the physical, functional, and locational characteristics of each of the properties are compared to those of the property being appraised in order to arrive at an estimate of value. (2) By extension, the term "comparables" is sometimes used to refer to properties with rent or income patterns comparable to those of a property being appraised.
Comparables; comparable sales	Properties that have recently sold that are similar in important respects to a property being appraised. The sale price, and the physical, functional and locational characteristics of each of the properties are compared to the property being appraised in order to arrive at an estimate of value. By extension, the term comparables is sometimes used to refer to properties with rent or income patterns comparable to a property being appraised.
Comparative Unit Method	(1) A method of appraising land parcels in which an average or typical value is estimated for each stratum of land. (2) A method of estimating replacement cost in which all the direct and indirect costs of a structure (except perhaps architect's fees) are aggregated and specified with reference to a unit of comparison such as square feet of ground area or floor area, or cubic content. Separate factors are commonly specified for different intervals of the unit of comparison and for different story heights, and separate schedules are commonly used for different building types and quality classes.
Competition; principle of	Hold that profit tends to breed competition and excess profit tends to breed ruinous competition.
Component part-in-place method	The application of the unit-in-place method to unit groupings or construction components. See unit-in-place method .
Condemnation	The act of government (federal, state, county, municipal), and of duly authorized units of government and public utility companies invested with the right of eminent domain, to take private property for public use and benefit, upon the payment of just compensation. It is the act of the sovereign in substituting itself in place of the owner and/or the act of taking all or a part of the rights of an owner.
Condominium	A form of fee ownership of whole units or separate portions of multi-unit buildings by statute which provides the mechanics and facilities for formal filing and recording of a divided interest in real property, where the division is vertical as well as horizontal. Fee ownership of units in a multi-unit property and joint ownership of the common areas. Not to be confused with " Cooperative ."
Conformity, principle of	Holds that the maximum of value is realized when a reasonable degree of homogeneity, sociological as well as economic, is present. Thus, conformity in use is usually a highly desirable adjunct of real property, since it creates and/or maintains maximum value
Consideration	The amount of money and other valuable goods or services upon which a buyer and a seller agree to consummate a sale.
Consistent use	Maintains that a property in transition to another use cannot be valued on the basis of one use for the land and another for the improvements.
Contour line	Outline of a figure, body, mass; lines representing such an outline as the edge of the water of a lake. A line on a topographic map or chart connecting the points on a land surface which have the same elevation.
Contract rent	Payment for the use of property as designated in a lease. Used to establish the fact that the actual rent designated, or contract rent, may differ from market rent.
Contribution, principle of	A valuation principle which states that the value of an agent of production or of a component part of a property depends upon how much it contributes to the value of the whole; or how much its absence detracts from the value of the whole. The Principle of Contribution is sometimes known as the Principle of Marginal Productivity.

Corner influence	The enhancement of the value of a property rising out of its corner location; most generally applicable to commercial properties.
Cost Approach	(1) One of the three approaches to value, the cost approach is based on the principle of substitution-that a rational, informed purchaser would pay no more for a property than the cost of building an acceptable substitute with like utility. The cost approach seeks to determine the replacement cost new of an improvement less depreciation plus land value. (2) The method of estimating the value of property by (a) estimating the cost of construction based on replacement or reproduction cost new or trended historic cost (often adjusted by a local multiplier), (b) subtracting depreciation, and (c) adding the estimated land value. The land value is most frequently determined by the sales comparison approach.
Cost approach	One of the three traditional approaches to value by which an indication of the value of a property is arrived at by estimating the value of the land, the replacement or reproduction cost new of the improvement, and the amount of accrued depreciation to the improvement. The estimated land value is then added to the estimated depreciated value of the improvements to arrive at the estimated property value.
Cost factor	A factor or multiplier applied to a replacement or reproduction cost to account for variations in location and time, as well as for other elements of construction costs not otherwise considered.
Cover crop	A crop planted principally for the purpose of controlling wind or water erosion during the dormant season. It is normally plowed under and not harvested.
Crop rotation	The practice of alternating, usually on an annual basis, field crops, such as corn or wheat, with legumes in order to maintain or improve the structure and productivity of the soil.
Cubic content	The cubic volume of a building within the outer surface of the exterior walls and roof and the upper surface of the lowest floor.
Cubic yard	A measure of volume that is three feet wide, three feet high, and three feet deep. There are 27 cubic feet in a cubic yard.
Curable depreciation	Those items of physical deterioration and functional obsolescence that are economically feasible to cure and hence are customarily repaired or replaced by a prudent property owner.
Deed	A written instrument that conveys an interest in real property. A quit claim deed conveys the interest described therein without warranty of title. A trust deed conveys interest described therein to a trustee. A warranty deed conveys the interest described therein with the provisions that the freehold is guaranteed by the grantor, and the grantor's heirs or successors.
Delinquent taxes	Taxes remaining unpaid on and after a date upon which a penalty for nonpayment is normally attached.
Depreciation	<p>Loss in value from all causes; may be further classified as physical, referring to the loss of value caused by physical deterioration; functional, referring to the loss of value caused by obsolescence inherent in the property itself; and economic, referring to the loss of value caused by factors extraneous to the property.</p> <p>Accrued depreciation refers to the actual depreciation existing in a particular property as of a specified date.</p> <p>Normal depreciation refers to that amount of accrued depreciation one would normally expect to find in buildings of certain construction, design, quality and age.</p>
Depreciation allowance	A loss of value expressed in terms of a percentage of replacement or reproduction cost new.

Depth factor	A factor or multiplier applied to a unit land value to adjust the value in order to account for variations in depth from an adopted standard depth.
Depth table	A table of depth factors.
Design factor	A factor or multiplier applied to a computed replacement cost as an adjustment to account for cost variations attributable to the particular design of the subject property which were not accounted for in the particular pricing schedule used.
Deterioration	Impairment of structural condition evidenced by the wear and tear caused by physical use and the action of the elements, also referred to as physical depreciation.
Direct Market Method Analysis	One of two formats of the sales comparison approach to value (the other being the Comparable Sales Method). In the direct market method, the market analyst specifies and calibrates a single model used to estimate market value directly using multiple regression analysis or another statistical algorithm.
Doomage assessment	The process of arriving at an assessment from the best information available when the assessor is denied the opportunity to physically inspect a property; making an assessment without actually viewing the property or receiving and/or accepting the taxpayer's declaration of personal property.
Drain tile	A specially designed pipe used in a drainage system.
Easement	A non-possessing interest held by one person in land of another person whereby the first person is accorded partial use of such land for a specific purpose. An easement restricts but does not abridge the rights of the fee owner to the use and enjoyment of the easement holder's rights. Easements fall into three broad classifications: surface easements, subsurface easements and overhead easements.
Economic life	The life expectancy of a property during that it can be expected to be used profitably.
Economic obsolescence	Loss in value of a property (relative to the cost of replacing it with a property of equal utility) that stems from factors external to the property. For example, a buggy-whip factory, to the extent that it cannot be used economically for anything else, suffers substantial economic obsolescence since automobiles have replaced horse drawn buggies.
Economic rent	The rent which a property can be expected to bring in the open market as opposed to contract rent which is the rent the property is actually realizing at a given time. Also called market rent.
Effective age	The typical age of a structure equivalent to the one in question with respect to its utility and condition. Knowing the effective age of an old, rehabilitated structure or a building with substantial deferred maintenance is generally more informative than knowing its chronological age.
Effective depth	In reference to property valuation, that depth, expressed in feet, upon which the selection of the depth factor is based.
Effective gross income	The estimated gross income of a property less an appropriate allowance for vacancies and collection losses.
Effective valuation date	In reference to a revaluation program, the date as of which the value estimate is applicable.
Eminent domain	The right by which a sovereign government, or some person acting in its name and under its authority, may acquire private property for public or quasi-public use upon payment of reasonable compensation and without consent of the owner. The right or power of the government to take private property for public use upon making just compensation.
Encroachment	The displacement of an existing use by another use.
Engineering breakdown	A method of estimating accrued depreciation under which separate estimates are made for the individual components and then totaled.

Environmental deficiency	A neighborhood condition such as adverse land uses, congestion, poorly designed streets, etc. operating to cause economical obsolescence and, when coupled with excessive structural deterioration, blight.
Equalized value	The estimated value of all taxable real and personal property in each taxation district, by class, as of January 1 and certified by the Department of Revenue on August 15 of each year. The value represents market value (most probable selling price), except for agricultural property, which is based on its use value (ability to generate agricultural income) and agricultural forest and undeveloped, which are assessed at 50% of market value.
Equated value	The dollar amount placed on individual parcels and personal property items of manufacturing property in a taxation district for tax collection purposes, calculated by multiplying the market value of the property as determined by the Department of Revenue times the assessment level of all other property within the taxation district.
Equity	In reference to property taxes, a condition where the tax burden is distributed fairly or equitably ; opposite of inequity that refers to a condition characterized by an unfair or unequitable distribution of the tax burden. Inequity is a natural product of changing economic conditions that can only be effectively cured by periodical revaluation programs. In reference to value, it is the value of the property remaining after deducting all liens and charges against it.
Escheat	Reversion of property to the state when the owner dies without leaving a will or heirs.
Euclidean Distance Metric	A measure of distance between two points "as the crow flies." In property valuation, it is used to find the nearest neighbor or similar property based on an index of dissimilarity between property location or attributes. When using multivariate selection, the squared difference is divided by the standard deviation of the variable so as to normalize the differences.
Excessive frontage	Frontage because of the particular utility of the lot does not add value to the lot.
Exchange value	The value, in terms of money, of a commodity to persons generally; as opposed to use value of a specific person.
Exempt property	See tax exemption .
Exempt property	Property not subject to general property taxation.
Expert help	Is employed when the governing body of a municipality not subject to assessment by a county assessor determines it is in the public interest to appoint such help to aid in making the assessments in order that they may be equitably made and in compliance with the law. The expert help may be a private firm or person, or an employee of the Department of Revenue.
Feasibility Analysis	A study of the cost-benefit relationship of an economic endeavor.
Fee appraisal	Appraisals of property one at a time for a fee.
Fee simple	In land ownership, complete interest in a property, subject only to governmental powers.
Field crew	The total staff assigned to a specific appraisal project, including data collectors, reviewers, staff appraisers, clerical and administrative supporting personnel.
Flood plain	The nearly flat surfaces along the courses of rivers and streams that are subject to overflow and flooding.
Forest croplands	Land taxed at a set amount per acre, must contain at least 40 or more acres, is more suitable for the growing of timber than for other purposes, assessed by the local assessor, subject to review under Chapter 70 and is open to the public for hunting and fishing. Note that the assessed value is not included in the value for ad valorem property taxes.
Fractional assessment	When the assessment is made at some percentage of the full value as determined by policy by the government.

Frequency distribution	A display of the frequency where each value in a given distribution occurs; or in a grouped frequency distribution , a display of the frequency of the values within various intervals, or value groupings occur.
Full value	The same as equalized value, however is often used when referring to the value of school and special districts.
Functional depreciation/obsolescence	See depreciation .
Functional utility	The composite effect of a property's usefulness and desirability upon its marketability.
General property	All taxable real and personal property except that which is taxed under chapters 76 and 77. It includes manufacturing property subject to s. 70.995, Stats., but does not include exempt property, private forest croplands, managed forest law lands, or public lands.
General property tax	The following elements must be present: 1) a dollar amount of levy; 2) total assessed values of individual properties (parcels of real property/personal property items); and 3) uniform rate of taxation within the same common area is to be applied to all taxable real and personal property within that area.
Goodness-of-Fit	A statistical estimate of the amount, and hence the importance, of errors or residuals for all the predicted and actual values of a variable. In regression analysis, for example, goodness-of-fit indicates how much of the variation between independent variables (property characteristics) and the dependent variable (sales prices) is explained by the independent variables chosen for the A VM.
Goodwill	An intangible, saleable asset arising from the reputation of the business and its relation with its customers as distinguished from the value of the physical plant and its stock.
Government lots	Those land areas which, because of location of size, could not be divided into sections and quarters under government survey. Such tracts usually lie along the edge of rivers or lakes and extend from the waterline to the first section boundary.
Government survey	A ground survey authorized by the Continental Congress in 1785 and by subsequent congressional acts, encountered in Florida, Alabama, Mississippi, and all states (except Texas) north of the Ohio or west of the Mississippi Rivers. The land is divided into townships approximately six miles square, each township normally containing 36 sections and each section normally containing 640 acres.
Grade	The classification of an improvement based upon certain construction specifications, and quality of materials and workmanship.
Grade factor	A factor or multiplier applied to a base grade level for the purpose of interpolating between grades or establishing an intermediate grade.
Grantee	A person to whom property is transferred and property rights are granted by deed, trust instrument, or other similar documents.
Grantor	A person who transfers property or grants property rights by deed, trust instrument, or other similar documents.
Gross area	The total floor area of the building measured from the exterior of the walls.
Gross income	In reference to property valuation the scheduled annual income produced by the property.
Gross Income Multiplier	A capitalization technique that uses the ratio between the sale price of a property and its potential gross income or its effective gross income.
Gross income multiplier	A multiplier by which gross income of a property is multiplied and its value estimated.
Gross sales	The total amount of invoiced sales before making any deductions for returns, allowances, etc.
Ground lease	A document entitling the lessee certain specified rights relating to the use of the land.

Ground rent	Net rent from a ground lease; that portion of the total rent which is attributable to the land only.
Highest and best use	A concept in appraisal and assessment law requiring that each property be appraised as though it were being put to its most profitable use, given probable legal, physical and financial constraints.
Horizon	A layer of soil approximately parallel to the land surface with more or less well-defined characteristics that have been produced through soil building processes.
Income Approach	One of the three approaches to value. Based on the concept that current value is the present worth of future benefits to be derived through income production by an asset over the remainder of its economic life. The income approach uses capitalization to convert the anticipated benefits of the ownership of property into an estimate of present value.
Income approach	One of the three traditional approaches to value which measures the present worth of the future benefits of a property by the capitalization of its net income stream over its remaining economic life. The approach involves making an estimate of the potential net income the property may be expected to yield, and capitalizing that income into an indication of value.
Income property	A property primarily used to produce a monetary income.
Increasing and decreasing returns	A valuation principle stating that when successive increments of one or more factors of production are added to fixed amounts of the other factors there is a resulting enhancement of income (in dollars, benefits, or amenities), initially at an increasing rate to a point of maximum return and then decreasing until eventually the increment to value becomes increasingly less than the value of the added factor (or factors). The Principle of Increasing and Decreasing Returns is sometimes known as the Principle of Diminishing Returns or the Principle of Variable Proportions.
Incurable depreciation	Elements of physical deterioration or functional obsolescence which either cannot be corrected; or if possible to correct, cannot be corrected except at a cost in excess of their contribution to the value of the property.
Industrial park	A subdivision designed and developed to accommodate specific types of industry.
Industrial property	Land, improvements, and/or machinery used or adaptable for use in the production of goods either for materials, or by changing other materials and products i.e., assembling, processing and manufacturing as well as the supporting auxiliary facilities.
Inequity	See equity .
Influence factor	A factor serving to either devalue or enhance the value of a particular parcel of land, or portions thereof, relative to the norm for which the base unit values were established; generally expressed in terms of a percentage adjustment.
Institutional property	Land and improvements used in conjunction with providing public services and generally owned and operated by the government or other non-profit organizations, hospitals, schools, prisons etc. Such property is generally exempt from paying property taxes.
Interest	The premium paid for the use of money; the interest rate usually incorporates a risk factor, a non-liquidity factor, a time-preference factor, an inflation factor and potentially others, too.
Investment analysis	A study reflecting the relationship between acquisition price and anticipated future benefits of a real estate investment.
Irrigation	The artificial application of water to the soil for full crop production when the rainfall is not sufficient at the time of need, or in arid regions.

Joint tenancy	Refers to the situation where two or more individuals own inseparable interest in a parcel of real property, i.e., an individual does not own a particular part of a property, but owns a proportionate share of the entire property. The ownership interests of each individual expire with the individual's demise and cannot be transferred through a will, except in the case of the last survivor (the right of survivorship).
Land classification	The classification of land based upon its capabilities for use; and/or production.
Land contract	A purchase contract wherein the grantee takes possession of the property with the grantor retaining the deed to the property until the terms of the contract are met as specified.
Land residual technique	Land valuation technique which requires the value of the building(s) to be known; the value of the land can then be indicated by capitalizing the residual net income remaining after deducting the portion attributable to the building(s).
Land use restrictions	Legal restrictions regulating the use to which land may be put.
Land value maps	A map used in conjunction with mass appraising, generally drawn to small scale and showing comparative unit land values, on a block to block basis.
Landscaping	Natural features such as lawns, shrubs, and trees added to a plot of ground or modified in such a way to make it more attractive.
Lean-to	A small structure with a single pitched roof, usually erected against an outside wall of a larger structure.
Lease, lessee, lessor	A written contract by which one party (lessor) gives to another party (lessee) the possession and use of a specified property, for a specified time and under specified terms and conditions.
Leased fee	A property held in fee with the right of use and occupancy conveyed by lease to others. A property consisting of the right to receive ground rentals over a period of time, plus the right of ultimate repossession at the termination of the lease.
Leasehold	The interests in a property associated with the lessee (tenant).
Leasehold improvements	Additions, renovation and similar improvements made to a leased property by the lessee.
Leasehold value	The value of a leasehold; the difference between the contractual rent and the currently established economic or market rent.
Legal description	A description of a parcel of land that serves to identify the parcel in a manner sanctioned by law.
Lessee	One who possesses the right to use or occupy a property under lease agreement; a tenant.
Lessor	One who holds title to and conveys the right to use and occupy a property under lease agreement; a landlord.
Level of assessment	The (average) percentage of full value at which property is locally assessed: $\text{Aggregate assessment} = \frac{252,612,900}{280,681,000} = .90 \text{ (90 percent)}$
Levy	The amount of tax imposed by a governmental unit.
Lien	A charge against property whereby the property is made the security for the payment of a debt.
Life estate	An interest in property that lasts only for a person's lifetime; thus the person in question is unable to leave the property to that person's heirs.

Linear Regression	A kind of statistical analysis used to investigate whether a dependent variable and a set of one or more independent variables share a linear correlation and, if they do, to predict the value of the dependent variable on the basis of the values of the other variables. Regression analysis of one dependent variable and only one independent variable is called simple linear regression, but it is the word simple (not linear) that distinguishes it from multiple regression analysis with its multiple independent variables.
Lister	A field inspector whose principle duty is to collect and record property data (not an appraiser). Also referred to as a data collector .
Managed Forest Land	Land taxed at a set amount per acre, must contain at least 10 or more acres, is more suitable for the growing of timber than for other purposes, assessed by the local assessor, subject to review under Chapter 70 and can be open to the public for hunting and fishing. Some Managed Forest Land can be closed to the public for hunting and fishing. Note that the assessed value is not included in the value for ad valorem property taxes.
Management fee	As an item of expense, the sum paid or the amount equivalent to the value of management service.
Market Analysis	A study of real estate market conditions for a specific type of property.
Market data approach	One of the three traditional approaches to value by which an indication of the value of a property is arrived at by compiling data on recently sold properties which are comparable to the subject property and adjusting their selling prices to account for variations in time, location and property characteristics between the comparables and the subject property.
Market rent	The rental income a property would most probably command on the open market as indicated by current rentals being paid for comparable space (as of the effective date of appraisal). This is preferred to the term "Economic Rent" which has traditionally been used in appraisal analysis, even though both are currently considered synonymous.
Market value	The most probable sale price of a property in terms of money in a competitive and open market, assuming the buyer and seller are acting prudently and knowledgeably, allowing sufficient time for the sale and assuming the transaction is not affected by undue pressures.
Mass appraisal	The process of valuing a universe of properties, as of a specified date, utilizing standard methodology, using common data and allowing for statistical testing.
Mass appraisal model	A mathematical formula or equation reflecting how supply and demand factors interact on a market level.
Mean	A measure of central tendency equal to the sum of the values divided by the number. Also referred to as arithmetic average or arithmetic mean .
Median	A measure of central tendency equal to that point in a distribution above which 50% of the values fall and below which 50% of the values fall. The 50th percentile is the 2nd quartile.
Metes and bounds	Angles and distances; a description of a parcel of land accomplished by beginning at a known reference point, proceeding to a point on the perimeter of the property being described, and then tracing the boundaries until one returns to the first point on the perimeter, usually a corner. The angles are described by reference to points of the compass, and the distances are described in feet or chains; curves are treated as arcs on a circle.
Mill rate	A mill is one-thousandth of one dollar. Tax rates are often expressed in mills per dollar. Example: Tax = \$3,000 Taxable assessed value = \$100,000 Mill rate = $3,000/100,000 = 0.03$ of a dollar per dollar of taxable assessed value

Mineral rights	The right to extract subterranean deposits such as oil, gas, coal and minerals as specified in the grant.
Minimum rental	The portion of the rent in a percentage lease that is fixed.
Minkowski Metric	Any of a family of possible ways of measuring distance. Euclidean distance, a member of this family, computes straight-line distances (as the crow flies) by squaring differences in like coordinates, summing them, and taking the square root of the sum. In mass appraisal model building, Minkowski metric usually refers to the sum of absolute differences (not squared) in each dimension, and resembles a "taxicab" or city block pattern. Other alternatives are possible, including the distance as calculated only for the dimension of greatest difference, but tile city block distance is most common.
Mode	A measure of central tendency equal to the value occurring most frequently in a given distribution. In a grouped frequency distribution, the mode is equal to the midpoint of the interval with the greatest frequency.
Model Calibration	The development of adjustments or coefficients based on market analysis that identifies specific factors with an actual effect on market value.
Model Specification	The formal development of a model in a statement or equation, based on data analysis and appraisal theory.
Model Specification	The formal development of a model in a statement or equation, based on data analysis and appraisal theory.
Modeling method	A method of computing the replacement or the reproduction cost of an improvement by applying the cost of a specified model and adjusting the cost to account for specified variations between the subject improvement and the model.
Modernization	Corrective action taken to update a property so it conforms to current standards.
Mortgage, mortgagee, mortgagor	A legal document that an owner of a property (mortgagor) pledges the property to a creditor (mortgagee) as security for the payment of a debt.
Multicollinearity	Correlation among two or more variables. In regression analysis, high multicollinearity among the independent variables complicates modeling and will compromise the reliability of the resulting coefficients.
Multiple Regression Analysis	A statistical technique for making statements as to the degree of linear association between a criterion (dependent) variable and one or more predictor (independent) variables; a simple linear regression having one independent variable, and multiple linear regression having more than one independent variable.
Multiple Regression Analysis (MRA)	A particular statistical technique, similar to correlation, used to analyze data in order to predict the value of one variable (the dependent variable), such as market value, from the known values of other variables (called "independent variables"), such as lot size, number of rooms, and so on. If only one independent variable is used, the procedure is called simple regression analysis and differs from correlation analysis only in that correlation measures the strength of relationship, whereas regression predicts the value of one variable from the value of the other. When two or more variables are used, the procedure is called multiple regression analysis.
Neighborhood	A geographical area exhibiting a high degree of homogeneity in residential amenities, land use, economic and social trends and housing characteristics.
Neighborhood trend	Stages in the life cycle of a neighborhood the improving stage characterized by development and growth; the static stage characterized by a leveling off of values; and the declining stage characterized by infiltration and decay and revitalization.
Net income	The income remaining after deducting allowable operating expenses from effective gross income.
Net lease	A lease wherein the lessee assumes to pay certain applicable operating expenses related to the cost of ownership.

Non-conforming use	A use which, because of modified or new zoning ordinances, no longer conforms to current use regulations, but is nevertheless upheld to be legal as long as certain conditions are adhered to.
Normal distribution	A distribution in which all the values are distributed symmetrically about the mean value, with 68.26% of the values falling between ± 1 standard deviation, 95.44% between ± 2 standard deviations, and 99.74% between ± 3 standard deviations.
Notice of Changed Assessment	A written notification to a property owner of the assessed value of certain properties described therein; mandated by law to be given to each property owner following a change in value of the property.
Observed depreciation	Loss in value that is discernible through physical observation by comparing the subject property with a comparable property that is either new or capable of rendering maximum utility.
Obsolescence	A diminishing of a property's desirability and usefulness brought about by either functional inadequacies or over-adequacies inherent in the property itself, or adverse economic factors external to the property. Refer to functional depreciation and economic depreciation.
Occupational tax	A tax/charge on a particular trade or profession, paid and collected in the same manner as taxes on personal property; not a general property tax.
Omitted property	Real or personal property not assessed in any of the 2 previous years and entered on the assessment roll once for each previous year of omission. The value affixed by the assessor is what it should have been assessed at in the year of omission according to the assessor's best judgment.
Operating expenses	The fixed expenses, operating costs and reserves for replacements required to produce net income and are deducted from effective gross income in order to arrive at net income.
Operating income	Income derived from the general operation of a business. Not synonymous with net profit, but rather indicates a stage in profit-and-loss account where all direct costs of operation and all direct income from operation have been taken into account and nothing else.
Overall rate	A capitalization rate representing the relationship of a net income of a property to its value it contains, in their proper proportions, the elements of both the land and the building capitalization rates.
Over-assessed	A condition wherein a property is assessed proportionately higher than comparable properties.
Parcel	Piece of land held in single ownership.
Parcel count	The number of assessments of land/improvements by class on the assessment roll.
Parcel identification number	An identification number assigned to a parcel of land to uniquely identify that parcel from any other parcel within a given taxing jurisdiction.
Parcel identification number (PIN)	An identification number, assigned to a parcel of land to uniquely identify that parcel from any other parcel within a given taxing jurisdiction. (see WPAM Section 5-32, Vol 1-1)
Parent material	The unconsolidated mass from which the soil profile develops.
Pasture	Land devoted to the production of tame or native forage that is harvested directly by livestock.
Percentage lease	A type of lease where the rental is based on a percent of income (gross/net) usually with a guaranteed base rental.
Percentile rank	The relative position of a value in a distribution of values expressed in percentage terms; for instance, as applied to an assessment-to-sale ratio distribution, a ratio with a percentile rank of 83 would indicate 83% of the ratios were lower and 17% of the ratios were higher than that particular ratio.

Percolation	The term is used to describe the seepage of water through soil; the ability of soil to absorb water or other liquid as effluent from a septic system.
Permeability	A term used to discuss the behavior of water in soil. A soil easily permeated by water would be friable, deep, and without dense or compacted horizons restricting free movement of water.
Personal property	All goods, wares, merchandise, chattels and (see s. 70.04, Stats.) effects of any nature or description having any real or marketable value and not included in the term real property. It also includes toll bridges; private railroads and bridges; saw logs, timber, and lumber either upon land or floating; steamboats, ships, and other vessels whether at home or abroad; ferry boats including the franchise for running them; ice cut and stored for use, sale, or shipment; manufacturing machinery and equipment defined in s. 70.11(27), Stats.; and entire property of companies defined in s. 76.02(8), Stats., located entirely within one municipality.
Plat	A map intended to show the division of land into lots or parcels. Upon recordation with the appropriate authorities, land included in the plat can be legally described by reference to the plat, omitting a metes-and-bounds description.
Plat book	A record showing the location, size and name of owner of each plot of land in a stated area.
Police power	The right of government to limit the exercise of property rights in real estate, without compensation, provided the limitation is not specific to one parcel. The limitation is to serve the interest of public health, public safety, public morals and the general welfare.
Population	As applied to real estate, all the parcels of a given type in the group under study, i.e., all the parcels of a given neighborhood, district, etc.
Precision	As applied to real estate, it refers to the closeness of estimated value to actual selling price on an aggregate basis.
Preferential assessment	An assessing system providing preferential treatment in the form of reduced rates to a particular class of property, such as a system providing for farm land to be assessed in accordance to their value in use as opposed to their value in the open market.
Present worth	The current monetary value. It is the discounted value of aggregate future payments.
Price related differential	As applied to real estate, an analytical measure of the vertical uniformity of values in a given distribution calculated by dividing the mean ratio by the aggregate ratio; a ratio of more than 1 being generally indicative of the relative undervaluation of high priced properties as compared to the less valuable properties, whereas a ratio of less than 1 would indicate the converse relationship.
Principal meridians	Boundary lines indicating the rectangular survey system of the continental United States. Farmland description is by rectangular survey.
Productivity	1) The capacity of a soil to produce crops under the environment where it occurs and under a specified system of management. 2) The amount of goods produced by labor, or other factors of production, per unit of time. 3) The net value of the services provided by space. Productivity is a direct function of use.
Progression; principle of	Indicates the value of a lesser object is enhanced by association with better objects of the same type.
Property class	A division of like properties generally defined by statutes and generally based upon their present use. The basis for establishing assessment ratios in a classified property assessment system.
Property inspection	A physical inspection of a property for the purpose of collecting and/or reviewing property data.
Property record card	A document specially designated to record and process specified property data; may serve as a source document, a processing form; and/or a permanent property record.

Quantity survey method	A method of computing the replacement or the reproduction cost of an improvement by applying unit costs to the actual or estimated material and labor quantities and adding an allowance for overhead, profit and all other direct and indirect construction costs.
Quarter (Section)	In public land survey, it is a division of a section containing 640 acres, the quarter being 160 acres.
Quartile	Positions in a distribution at 25 percentile intervals; the first quartile being equal to the 25th percentile, the second quartile being equal to the 50th percentile or the median, and the third quartile being equal to the 75th percentile.
Random sample	A sample where each parcel in the universe is given equal chance of being included.
Range	The difference between the highest and lowest value in a distribution.
Range	One of a series of government survey lines extending due north and south at six-mile intervals and are numbered east or west from the principal meridian. These form the east and west boundaries of townships.
Ratio	A fixed relationship between two similar things expressed in terms of the number of times the first contains the second; the quotient of one quantity divided by another quantity of the same type, generally expressed as a fraction.
Real estate	The physical land and appurtenances affixed thereto; often used synonymously with real property.
Real property	The terms “real property” and “real estate” shall include the land and all buildings and improvements thereon, and all fixtures and rights and privileges appertaining thereto, except that for the purpose of time-sharing property as defined in s. 707.02(32), real property does not include recurrent exclusive use and occupancy on a periodic basis or other rights, including, but not limited to, membership rights, vacation services and club memberships.
Reassessment	<p>The revaluation of all properties within a given jurisdiction for the purpose of establishing a new tax base.</p> <p>When a written complaint is made to the Department of Revenue by the owners of 5% or more of the assessed valuation of the property within a municipality stating that the assessment of property in the municipality is not in substantial compliance with the law and that the interest of the public would be promoted by a reassessment, the department can order such actual doing over of the assessment roll (reassessment) of all or part of the taxable property in municipality.</p>
Recapture rate	The rate at which an investment is returned to the investor. The annual amount which can be recaptured (or allocated for future recapture), divided by the amount of the original investment.
Reconciliation	The process by which the appraiser evaluates, chooses and selects from among two or more alternative conclusions or indications to reach a final value estimate.
Regression	The measurement of the closeness with which two or more variables are associated.
Remaining economic life	The number of years remaining in the economic life of the structure or structural component, as of the date of the appraisal.
Rent	The amount paid for the use of a capital good. See economic rent .
Replacement cost	The current cost of reproducing an improvement of equal utility to the subject property; it may or may not be the cost of reproducing a replica property.
Reproduction cost	The current cost of reproducing an improvement having exactly the same characteristics as the improvement in question.
Reserve for replacements	A reserve established to cover renewal and replacements of short-lived items that will not last for the remaining economic life of a property.
Residential property	Vacant or improved land devoted to or available primarily as a place to live.

Restrictive covenant	A private agreement restricting the use and occupancy of real estate that is a part of the conveyance and is binding on all subsequent purchasers. Such covenants may have to do with control of lot size, setback and/or placement of buildings, architecture and cost of improvements.
Revaluation	Placing new values on all taxable property for the purpose of a new assessment. The previous year's assessment roll is not affected. The term is often used in conjunction with s. 70.055, Stats., where expert help can be hired to work with the assessor in revaluing the district.
Right of way	The privilege which one person or persons particularly described, may have of passing over the land of another in some particular line. Usually, an easement over the land of another. The term is used to describe a strip of land used for railroad and highway purposes, for pipe or pole lines and for private or public passageways.
Sales Comparison Approach	One of three approaches to value. The sales comparison approach estimates a property's value (or some other characteristic, such as its depreciation) by reference to comparable sale
Sales ratio study	A statistical analysis of the distribution of assessment or appraisal-to-sale ratios of a sample of recent sales made for the purpose of drawing inferences regarding the entire population of parcels from which the sample was abstracted.
Sales ratio study	A statistical analysis of the distribution of assessment ratios of a sample of recent sales made for the purpose of drawing inferences regarding the entire population of parcels from which the sample was abstracted.
Salvage value	The price one would be justified in paying for an item of property to be removed from the premises and used elsewhere.
Sample	As applied to real estate, a set of parcels taken from a given universe which is used to make inferences about values for the universe.
Sample size	As applied to real estate, the number of parcels needed from a universe to achieve a desired level of precision, given the total number of parcels in the universe and the standard deviation thereof.
Scarcity value	Value caused by a demand for a good when the supply cannot be increased. Antique furniture is an example.
Scrap value	The price for a part of a property for sale and removal from the premises for the reclamation of the value of the basic material itself, such as copper.
Section	In public lands survey, one of the 36 sections, each a mile square, that each township is divided.
Selective sample	A sample where each parcel in the universe being chosen by other criteria, is not given an equal chance of being included. Essentially all assessment-to-sale ratio studies are non-probability samples.
Set-back	The term refers to zoning regulations designating the distance a building must be set-back from the front property line, or the height at which the upper floors of a building are recessed, set-back from the face of a lower structure. In tall buildings there may be more than one set-back.
Site	A parcel of land that is improved to the extent that it is ready for use for the purpose it is intended.
Site development costs	All costs incurred in the preparation of a site for use.
Slope	The inclination or deviation of a surface from the horizontal; the grade. The degree of inclination usually expressed as a percentage, in highway usage it refers to the graded area beyond the shoulder area extending to natural and undistributed ground.
Software	1) Computer programs. 2) Those parts of a computer system that are not machinery or circuits; procedures and possibly documentation are included along with programs.
Soil erosion	The wearing or carrying away of the topsoil by running water or wind.

Soil productivity	The capacity of a soil to produce crops under the environment where it occurs and under a specified system of management.
Soil profile	A vertical section of the soil through all its horizons and extending into the parent material.
Soil series	A grouping of soils having the same character of profile; the same general range in color, structure, consistence, sequence of horizons, and the same conditions of relief and drainage; and of common or similar origin (parent material) and mode of formation.
Soil survey report	A written report with a soil map, describing the areas surveyed, the characteristics and capabilities for use of the soil types and phases shown on the map, and the principal factors responsible for soil development.
Soil type	A soil that, throughout its full extent, has relatively uniform texture in addition to the soil series characteristics.
Sound value	The depreciated value of an improvement.
Sound value estimate	An estimate of the depreciated value of an improvement made directly by comparable condition, desirability and usefulness without first estimating its replacement cost new.
Standard depth (base lot)	The lot depth selected as the norm against which other lots are to be compared, generally the most typical depth.
Standard deviation	A measure of dispersion, variability or scatter of values in a given distribution equal to the square root of the arithmetic mean of the squares of deviations from the mean.
Standard error of the mean	A measure of the statistical variability of the mean equal to the standard deviation of the distribution divided by the square root of the sample size.
Statement of Assessment	Form completed by the municipal clerk which reflects the aggregate assessed value of all personal and real property in the municipality and reflects any changes made at the Board of Review.
Statistics	The science of studying numerical data systematically and of presenting the results usefully. Two main branches exist: descriptive statistics and inferential statistics.
Stratified sampling	The selection of sample parcels from distinct groups within the total universe based upon the known sizes and characteristics of these distinct groups.
Stratify	To divide, for purposes of analysis, a sample of observations into two or more subsets according to some criterion. The criterion is most often, but not necessarily, a threshold value for a single variable. Houses could be stratified on the basis of whether they were brick or frame, more or less than 1,000 square feet and so on.
Sublease	See lease , the lessee in a prior lease becomes a lessor in a sublease.
Substitution, principle of	A valuation principle that states that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market. The Principle of Substitution presumes that the purchaser will consider the alternatives available, that the individual will act rationally or prudently on the basis of the information about those alternatives, and that time is not a significant factor. Substitution may assume the form of the purchase of an existing property, with the same utility, or of acquiring an investment which will produce an income stream of the same size with the same risk involved in the property in question.
Super adequacy	A greater capacity or quality in the structure or one of its components than the prudent purchaser or owner would include or would pay for in the particular type of structure under current market conditions.
Supply and demand, principle of	A valuation principle stating that market value is determined by the interaction of the forces of supply and demand in the appropriate market as of the date of the appraisal.
Surplus productivity; principle of	States the net income remaining after the cost of the agents of production, (land, labor, capital and management) has been paid is considered surplus productivity.

Tangible property	Property that, by its nature, is susceptible to the senses. Generally the land, fixed improvements, furnishings, merchandise, and other items used in carrying on an enterprise.
Tax bill	An itemized statement showing the amount of taxes owed for certain property described therein and forwardable to the party or parties legally liable for payment thereof.
Tax exemption	Either total or partial freedom from taxation granted by specific state statute.
Tax levy	In reference to property taxes, the total revenue realized by the tax.
Tax mapping	The creation of accurate representations of property boundary lines at appropriate scales to provide a graphic inventory of parcels for use in accounting, appraising and assessing. Such maps show dimensions and the relative size and location of each tract with respect to other tracts. Also known as assessment maps and cadastral maps.
Tax rate	The rate generally expressed in dollars per hundred or dollars per thousand (mills) applied against the tax base (assessed value) to compute the amount of taxes. The tax rate is derived by dividing the total amount of the tax levy by the total assessed value of the taxing district.
Tax roll	The official list showing the amount of taxes, special assessments, and charges levied against each parcel and item of personal property in the municipality.
Tax sale	The sale of a taxpayer's property to collect delinquent taxes from the proceeds of the sale when the taxpayer has failed to redeem it within the statutory period. In some instances the proceeds may exceed the amount of delinquent taxes.
Taxation	The right of government to tax property to support the government.
Taxation district	A political subdivision a governmental unit has authority to levy a tax. A city, village or town or, if a city or village lies in more than one county, that portion of the city or village which lies within a county.
Taxing jurisdiction	Any entity authorized by law to levy taxes on general property located within its boundaries.
Template	A transparent plastic instrument calibrated with various sized squares and rectangles (representing 2 acres, 5 acres, 10 acres, 40 acres, etc.) used for measuring acreage on aerial photographs.
Tenancy	The nature of tenure. The holding of property by any form of title. A lease or right to occupy for years; for a definite period, as one year and six months; at will, being ended at any time by landlord; at sufferance, when tenant remains after expiration of the lease; or for life, the right to occupy for one's life.
Tenancy in common	The holding of property by two or more persons each of whom has an undivided interest which upon their death, passes to their heirs and not to the survivor or survivors.
Tenancy in severalty	An ownership interest in real estate by one owner.
Three Approaches to Value	A convenient way to group the various methods of appraising a property. The cost approach encompasses several methods for estimating replacement cost new of an improvement less depreciation plus land value. The sales comparison approach estimates values by comparison with similar properties for which sales prices are known. The methods included in the income approach are based on the assumption that value equals the present worth of the rights to future income.
Tier	A row of townships, running east and west, lying between any two consecutive township lines, comprising an area six miles wide.
Tillable land	Land suitable for growing annual crops requiring plowing, harrowing, planting, cultivating and harvesting as distinguished from land on a farm not so adapted, as marsh or swampland and wood lots.
Title	Evidence of ownership, typically in written form. Title passes when a deed is accepted by the grantee.

Topographic map	A map charting natural and manmade features and surface vegetation of an area of the earth's surface. The map uses contour lines, symbols, tinting, and shading to show these features.
Topography	The relief features or surface configurations of an area, such as hills, valleys, slopes, lakes and rivers. Surface gradations are classified as: compound slope, gently sloping land, hilly land, hog wallows, hummocks, rolling land, steep land, undulating land and very steep land.
Trended historical cost	The use of cost factors (time-location) to bring historical cost to current cost levels.
Uniformity	As applied to assessing, a condition wherein all properties are assessed at the same ratio to market value, or other standard of value depending upon the particular assessing practices followed.
Unimproved land	Vacant land, a parcel without an improvement value.
Unit cost or price	The price or cost of one item of a quantity of similar items.
Unit-in-place method	A method of cost estimating in which all direct and some of the indirect costs of each individual construction component (such as foundation walls) are specified in appropriate units (such as area, volume, or length), multiplied by an estimate of quantity required by the particular structure, and added to obtain an estimate of the cost of the structure.
Use density	The number of buildings in a particular use per unit of area, such as a density of so many apartment units per acre.
Use value	The actual value of a commodity to a specific owner, as opposed to its value in exchange.
Useful life	The period of time over which the structure may reasonably be expected to perform the function for which it was designed or intended.
Vacancy	An unrented unit of rental property.
Vacant land	Unimproved land; a parcel for which there is no improvement.
Valuation	The process or business of appraising, of making estimates of the value of something. The value typically required to be estimated is market value.
Valuation principles	Economic principles or laws concerning value which are applicable in the valuation of real property. Significant ones include: anticipation, supply and demand, change, substitution, highest and best use, increasing and decreasing returns, competition, contribution, and conformity.
Value	The quantity of one thing that can be obtained in exchange for another; the ratio of exchange of one commodity for another, e.g., one bushel of wheat in terms of a given number of bushels of corn; thus, the value of one thing may be expressed in terms of another. Money is the common denominator by which real property value is usually measured. Value also depends upon the relation of an object to unsatisfied needs; i.e., scarcity of supply and demand. Value is the present worth of future benefits arising out of ownership to typical users or investors.
Warranty deed	A deed conveying to the grantee title to the property free and clear of all encumbrances except those stated in the deed itself.
Water frontage	Land abutting on a body of water.
Woodland	Land that is fairly densely covered with trees.
Zoning	The public regulation of the character and intensity of the use of real estate through employment of police power. This is accomplished by the establishment of districts or areas in each of which uniform restrictions relating to improvements, structure heights, areas, bulk, density of population, and other limitations are imposed upon the use and development of private property.